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FOX BROADCASTING COMPANY A UNIT OF FOX INC.

Preston Padden

Executive Vice President

Affiliates

April 11, 1994

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

The Honorable Reed E. Hundt Chairman Federal Communications Commission 1919 M Street - Room 814 Washington, DC 20554

Re: PP Docket No. 93-21

Dear Chairman Hundt:

On March 11, 1994 the Commission adopted a Further Notice Of Inquiry regarding Sports Programming Migration from broadcast to cable television. In Paragraph 19 of the Further Notice, the Commission seeks comment "on whether the movement of National Football Conference Games from CBS to Fox will affect the availability of games via broadcast television."

Fox Broadcasting Company's record setting bid for television exhibition rights to National Football Conference games is a dramatic marketplace statement of broadcast television's ability to retain major sporting events. The Fox bid will prolong the availability of NFL games on broadcast television by establishing a new level of value of these rights to the over-the-air medium.

No broadcast network covers 100% of U.S. TV Households. And, because neither broadcast television allocations nor network affiliations are laid out in a neat and uniform grid, the movement of any program event from one network to another will lead to marginal changes in the availability of that program event to individual television viewers -- some gaining and others losing over-the-air reception. However, given our existing broadcast affiliate line-up and our efforts to augment that line-up with new full-time and secondary broadcast affiliates, it is absolutely clear that the movement of NFC games to Fox will not have a negative impact on the aggregate availability of games via broadcast television.



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At the time of our NFL bid in December 1993, Fox had 139 broadcast affiliates that reached 92% of U.S. TV Households <u>exclusive</u> of our Fox Net satellite service for "white area" cable systems. Since the signing of our NFL agreement, we have added seven new full time affiliates and 24 new secondary affiliates which together will provide coverage of an additional 4% of U.S. TV Households. It is our policy to defer to each of our new affiliates regarding the timing and manner of any announcements concerning their plans. The following is a complete list of our new full time affiliates and partial list of our new secondary affiliates.

Full Time Affiliates:

KCVU / Chico/Redding, CA
KDF / Corpus Christie, TX
KBVU / Eureka, CA
KTVG / Grand Island, NE
WPGA / Macon, GA
KMVU / Medford, OR
KARD / Monroe, LA (Previously ABC)

Secondary Affiliates:1

KSVI / Billings, MT WDIO / Duluth, MN

WHSV / Harrisonburg, VA

KHGI / Kearney-Hastings-Grand Island, NE

- KWNB / Hayes Center, NE

- KSNB / Superior, NE

WLUC / Marquette, MI

WTOK / Meridian, MS

KDBA / Palm Springs, CA (Full Affiliation Shift Under Discussion)

KOTA / Rapid City, SD

- KHSD / Lead, SD
- KDUH / Scotts Bluff, NE

With the possible exception of isolated and very brief football overruns on "double header Sundays" in some time zones, these secondary affiliations do not involve any preemptions of any network prime time programming.

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Secondary Affiliates Con't:

- KSGW / Sheridan, WY
KAAL / Rochester, MN
WSBT / South Bend, IN
WWTI / Watertown, NY
WJKA / Wilmington, NC (Full Affiliation Shift Under Discussion)
WYTV / Youngstown, OH
KECY / Yuma-El Centro, CA (Full Affiliation Shift Under Discussion)

As of today, our broadcast coverage of NFC games totals 96% of U.S. TV Households. In addition, we are in active discussion with stations in all remaining television markets regarding primary or secondary affiliations. It is our intention to maximize over-the-air availability of the NFC games nationwide.

Fox has undertaken two additional efforts to maximize the availability of the NFC games. First, we have retained an independent engineering consultant to analyze the transmission facilities of every Fox affiliate station. Where appropriate, we have sent letters to our affiliate station managers urging them to pursue improvements in their primary transmission facilities and/or to augment those primary facilities with translator or satellite stations. The goals of Section 26 of the Cable Television Consumer Protection & Competition Act of 1992 would be served by expediting Commission consideration of applications for improvements in or augmentation of the transmission facilities of Fox affiliates.²

Cable systems currently play a significant role in the distribution of all four broadcast networks. In order to assure cable carriage of Fox affiliates comparable to cable carriage of CBS affiliates, Fox and its affiliates have sought revisions to Section 111 of Title 17 of the United States Code to provide that all broadcast stations be deemed "local" for copyright purposes throughout their home television market. On March 24, 1994 the Senate Subcommittee on Patents, Copyrights & Trademarks unanimously reported S. 1485 which includes this change in the Copyright Law. Companion legislation is pending in the House of Representatives and we are optimistic that favorable action will be concluded prior to the start of the next football season.

² For example, see "Petition For Specific Location Waiver Of TV Freeze Order: Abilene, TX" filed March 29, 1994 in MM Docket No. 87-268.

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Since the birth of our company seven years ago, Fox and its affiliates have sought to increase competition and diversity in broadcast television. Our efforts have resulted in new choices for television viewers, television advertisers and program providers, including the NFL. We are absolutely committed to maximizing the availability of NFC games via broadcast television. We appreciate this opportunity to update the Commission regarding our efforts.

Very truly yours,

Preston R. Padden

PRP:g

cc: The Honorable James H. Quello
The Honorable Andrew C. Barrett